## COMMONWEALTH OF VIRGINIA VIRGINIA GAS AND OIL BOARD HEARINGS MINUTES OF THE JUNE 19, 2012

Pursuant to Sections 45.1-361.9B and 45.1361.22.B of the Code of Virginia, the Virginia Gas and Oil Board held its scheduled monthly hearing commencing at 9 a.m. on Tuesday, June 19, 2012, at the Russell County Government Conference Center, 139 Highland Drive, Lebanon, Virginia.

Attendees for the Board were: Mary Quillen, Bruce Prather, Donald Ratliff, Allen Compton, Bradley Lambert (Chairman), and Katie Dye.

Also present were Sharon Pigeon, Sr. Assistant Attorney General, Rick Cooper, Director Division of Gas and Oil, Diane Davis, Division of Gas and Oil.

1. The board will receive public comments.

**Public comments were received from:** 

Juanita Sneeuwaght asked about the status of the audit of the escrow account.

Arlene Deel questioned ownership of land.

Senator Puckett thanked the Board for disbursements continuing on the docket and to thank Katie Dye for her service to the Board. Phil Horne responded to Ms. Deel.

2. A petition from EQT Production Company for disbursement of funds and authorization of direct payment of royalties from escrow for Tract 3 on behalf of Brandi Mooney Taylor and Jason Taylor, Joselean S. Garrett, Linda Frye Campbell and Alan Campbell, Fred and Gail Garrett, Robert E. Garrett, Amy Janette Garrett, Katrina Garrett Foster and Steven Foster, David and Ann Ledgerwood, Bill and Debbie Garrett and Range Resources for Unit VC-3655, Dickenson County, Virginia. Docket Number VGOB 97-0520-0586-01.

The disbursement was approved based on the submitted petition by the applicant.

3. A petition from EQT Production Company for disbursement of funds and authorization of direct payment of royalties on behalf of

Alcie Keen, Teresa Patrick, Freddie and Darlene Johnson, Gaynell and Carl Sampson and Range Resources-Pine Mountain, Inc. for Unit 537521, Russell County, Virginia. Docket Number VGOB 09-0616-2541-02.

The disbursement was approved with the applicant correcting language in paragraph 2E saying Jerry Grantham et al.

4. On the Board's own motion the disbursement for docket 09-1117-2633-01 previously heard on March 13, 2012 is being placed back on the docket for correction of testimony. The re-pooling changed the tracts and the testimony of record is incorrect.

The disbursement testimony originally said to pay from Tract 1 and it should be Tract 2. This was corrected and the disbursement will proceed.

5. A petition from CNX Gas Company LLC for the disbursement of funds from Tracts 2 & 3 on behalf of Harrison Wyatt LLC and Ada W. Hamilton, Ella Ruth Cook and CNX Gas Company, for Unit T-15, Buchanan County, Virginia. Docket Number VGOB 92-1215-0306-02.

Applicant requests a continuance to August 2012.

6. A petition from CNX Gas Company LLC for the disbursement of funds from escrow from Tracts 3 & 4 on behalf of Harrison Wyatt LLC and Ada W. Hamilton, Ella Ruth Cook and CNX Gas Company, for Unit U-16, Buchanan County, Virginia. Docket Number VGOB 93-0622-0381-02.

The disbursement was approved by the Board as submitted.

7. A petition from CNX Gas Company LLC for the disbursement of funds from escrow from Tracts 5, 6, 7 & 8 on behalf of Harrison Wyatt LLC and Ada W. Hamilton, Ella Ruth Cook and CNX Gas Company, for Unit T-16, Buchanan County, Virginia. Docket Number VGOB 94-1024-0476-02.

Applicant requests a continuance to August 2012.

8. A petition from CNX Gas Company LLC for the disbursement of funds from escrow and authorization for direct payment of royalties from Tract 4F on behalf of Hurt McGuire Land Trust and Margie Dye, Tammy Boyd Street, Patricia Horton, Nancy Stilwell, Wesley Perkins, Tania Hess, Martha Smith and Sarah Day, for Unit W-34, Buchanan County, Virginia. Docket Number VGOB 97-0318-0571-07.

The disbursement was approved by the Board as submitted by the applicant.

9. A petition from CNX Gas Company LLC for the disbursement of funds and authorization for direct payment of royalties from escrow from Tract 1G on behalf of Hurt McGuire Land Trust and Margie Dye, Tammy Boyd Street, Patricia Horton, Nancy Stilwell, Wesley Perkins, Tania Hess, Martha Smith and Sarah Day and disbursement from escrow regarding previously disbursed owners within Tracts 1G on behalf of Hurt McGuire, Nellie Maynard, Danny Elder, Robert Elder and Joseph Horn, for Unit W-35, Buchanan County, Virginia. Docket Number VGOB 98-0324-0627-08.

The disbursement was approved with Exhibit AA-1 being paid the exact dollar amount on the table. Then the parties on Exhibit A-1 would be paid out by percentage.

10.A petition from CNX Gas Company LLC for the disbursement of funds and authorization of direct payment of royalties from escrow for Tract 1D on behalf of Swords Creek Land Partnership and Donald Richardson et ux, for Unit AZ-122, Russell County, Virginia. Docket Number VGOB 05-0315-1414-01.

Applicant requests a continuance to August 2012.

11.On the Board's own motion the disbursement for docket 02-0820-1050-01 previously heard on March 13, 2012 is being placed back on the docket for correction of testimony. The exhibits do not match testimony.

The petition was approved with the correction of testimony and the submittal of a new Exhibit A1.

12.A petition from CNX Gas Company LLC for pooling of coalbed methane unit ZZZ-32, Garden/North Grundy Districts, Buchanan County, Virginia. Docket Number VGOB 12-0515-3065. Continued from May 2012.

Applicant requests a continuance to August 2012.

13.A petition from Range Resources-Pine Mountain, Inc. for a well location exception for proposed well 900101, Prater District, Buchanan County, Virginia. Docket Number VGOB 12-0515-3066. Continued from May 2012.

The petition was approved by the Board.

14.A petition from CNX Gas Company LLC for modification of the Oakwood 1 Field Rules for Units C38, C40, C41 and D41to allow more than one coalbed gas well to be drilled within each of the 80 acre Oakwood Units, Buchanan County, Virginia. Docket Number VGOB 93-0216-0325-24.

Applicant requests to remove C38 which was assigned to Geomet. The petition is for the addition of one well. Jewell Smokeless objecting that they did not get notice on this petition. The Board approved the petition with the removal of C38.

15.A petition from CNX Gas Company LLC for pooling of coalbed methane Unit B-32, Garden District, Buchanan County, Virginia. Docket Number VGOB 12-0619-3073.

The petition was approved by the Board with escrowing required for conflicting owners and unknowns.

16.A petition from CNX Gas Company LLC for pooling of coalbed methane Unit F-46, Garden District, Buchanan County, Virginia. Docket Number VGOB 12-0619-3074.

The petition was approved by the Board with escrowing required for conflicting owners.

17.A petition from CNX Gas Company LLC for pooling of coalbed methane Unit AV-152, Maiden Springs District, Tazewell County, Virginia. Docket Number VGOB 12-0619-3075.

The petition was approved by the Board as submitted with escrowing required for conflicting owners and unleased parties.

18.A petition from Range Resources-Pine Mountain, Inc. for a well location exception for well 900110, Prater District, Buchanan County, Virginia. Docket Number VGOB 12-0619-3076.

The petition was approved by the Board as submitted by the applicant.

19.A petition from Range Resources-Pine Mountain, Inc. for a well location exception for well 900113, Prater District, Buchanan County, Virginia. Docket Number VGOB 12-0619-3077.

The petition was approved by the Board as submitted by the applicant.

20.A petition from Range Resources-Pine Mountain, Inc. for the establishment of a drilling unit and pooling of Well 900110, Prater District, Buchanan County, Virginia. Docket Number VGOB 12-0619-3078.

The petition was approved by the Board as submitted by the applicant with no escrowing required.

21.A petition from Range Resources-Pine Mountain, Inc. for the establishment of a drilling unit and pooling of Well 900016. Rocklick District, Buchanan County, Virginia. Docket Number VGOB 12-0619-3079.

The petition was approved by the Board as submitted by the applicant with no escrowing required.

22.A petition from Range Resources-Pine Mountain, Inc. for Re-Pooling of Well 900049, Knox District, Buchanan County, Virginia. Docket VGOB 11-0614-2969-01.

The petition was approved by the Board as submitted by the applicant with no escrowing required.

23.A petition from Range Resources-Pine Mountain, Inc. for Re-Pooling of Well 900035, Sandlick District, Dickenson County, Virginia. Docket VGOB 12-0313-3046-01.

The petition was approved by the Board as submitted by the applicant with escrowing required for unknowns.

24. A petition from Range Resources-Pine Mountain, Inc. for Re-Pooling of Well 900095, Sandlick District, Dickenson County, Virginia. Docket VGOB 12-0417-3058-01.

The petition was approved by the Board as submitted by the applicant with escrowing required for unknowns.

25. The Board will receive an update of Board and Division activities from the staff.

Rick Cooper updated the Board on the status of escrow audit and thanked Diane Davis, Jim Lovett and Sharon Hagy for the work in getting the disbursements done.

26. The Board will review the May 2012 minutes for approval.

The May minutes were approved with the correction of adding Bruce Prather to the minutes.

The meeting adjourned at 11:54